

1 ORIGINAL



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3 Date: May 28, 2013

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5 To: **Docket Control**
6 **Arizona Corporation Commission**
7 **1200 West Washington St.**
8 **Phoenix, AZ 85007**

AZ CORP COMMISSION
DOCKET CONTROL
MAY 29 PM 12 42

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10 From: Robert T. Hardcastle
11 Payson Water Co., Inc.
12 (661) 633-7526
13

14 FOR FILING ORIGINAL AND 13 COPIES INTO:

15
16 **DOCKET NO. W-03514A-13-0111**

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18 Payson Water Co. rates and Financing Application

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23 By:

24 Robert T. Hardcastle

25 Arizona Corporation Commission

26 **DOCKETED**

27 MAY 29 2013

28 DOCKETED BY

29

Bob Hardcastle

ORIGINAL

To: 'Al Amezcua'
Subject: RE: ACC Complaints: Patterson-Fritts, Barbara L - Complaint No. 110705

Unfortunately, the complaining customer is mis-informed. Decision No. 71902 provides for Payson Water Co. to charge its customers a water augmentation charge for water hauled to the system between May 1 and September 30 annually. Customer meters are read approximately at mid-month. For the period April-May 2013 water hauling did not commence until May 1 and customers, pursuant to the Decision, were charged the corresponding water augmentation costs from May 1 through the meter reading date of May 16. A total of 183,179 gallons of water was hauled at a cost of \$10,237.50 between these dates. The MdC customers consumed 1,122,568 gallons for the same period. Accordingly, customers were charged a water augmentation fee of \$.009119492/gallon. The Company's methodology of calculating this amount was confirmed as accurate by Commission Staff in direct testimony given in Docket No. W-03514A-12-0007 in June 2012. The same methodology is applied for every effective period including the April-May 2013 period.

Pursuant to the Decision water is hauled under Stage 3-5 conditions at MdC. Stage 3 or 4 conditions were in effect during all periods of water hauling in the April-May 2013 period, as required by the Curtailment Tariff also made part of the Decision. The water supply bill from the Town of Payson had not been received at the time of customer billing and was not included in the charges.

Where is all the water going? That's a good question that the Company cannot answer. Several customers in MdC regularly use nearly 20,000 gallons per month while other more conservative customers will use as low as 3000-3500 gallons/month. These usual customers are regularly, and have been repeatedly, asked to reduce their consumption. The Decision was established in such a way that allows customers to largely control the amount of their water augmentation costs – the less they use the smaller proportional amount they are of the total water system consumption and, consequently, the lower their water charges for the period.

The MdC water system regularly has low water loss well within the 10% or less policy guidelines of the Commission. Simply, water is used through, in some cases, excessive customer consumption. The MdC water system are well maintained on a regular basis and have neither received previous notices of violations or notices of necessary corrective action from any regulatory authorities. Water storage tanks have no leaks.

Message copy to Docket No. W-03514A-13-0111.

RTH

RTH@jaco.com

From: Al Amezcua [<mailto:Aamezcua@azcc.gov>]

Sent: Monday, May 20, 2013 10:17 AM

To: Bob Hardcastle

Subject: ACC Complaints: Patterson-Fritts, Barbara L - Complaint No. 110705

Please see the attached complaint. It is in PDF format.

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